



San Luis Obispo County Public Health Department

MEETING MINUTES

Coverage Initiative Planning Project (CIPP)

Stakeholder Work Group

Meeting #5 – Tuesday, December 21, 2010, 3:30 p.m. – 5:00 p.m.

The meeting convened at 3:40 p.m.

Attendance

Stakeholder representatives in attendance: Joe Kent, Social Security Administration; Natalie Walter, Dept. of Social Services; Jean Raymond, Health Commission; Leslie Brown, SLO County Administration; Tom Hale, Twin Cities Community Hospital ED Physician; Amy Gilman, Office of Supervisor Jim Patterson; Theresa Merkle, CenCal Health; Sue Andersen, Catholic Healthcare West; Biz Steinberg, CAPSLO; Larry Bacus, Community Health Centers (CHC).

Others in attendance: Joel Diringer, Diringer & Associates; SLO County Health Agency: Marsha Bollinger, Jennifer Shay, Jeff Hamm, Penny Borenstein.

Handouts provided: Agenda; DHCS 2011 Low Income Health Program (LIHP) Calendar

Welcome and Introductions

Joel Diringer, of Diringer & Associates, welcomed the stakeholder representatives and began introductions followed by a review of the meeting Agenda.

County Medical Services Program (CMSP)

Mr. Diringer introduced Marsha Bollinger, Division Manager for Health Care Services and program manager of the County Medical Services Program (CMSP). At the December 7, 2010 CIPP meeting, Ms. Bollinger presented information about the types of services provided by CMSP including utilization and cost data. She informed the group that today's follow-up presentation will provide an overview of the program and how eligibility is determined.

Ms. Bollinger said that determining eligibility for individuals seeking CMSP funding for their medical care depends on both their health condition and their individual status. An eligible applicant is age 21 to 64 years, a resident of SLO County, a legal U.S. citizen or permanent resident, and does not qualify for any other aid, including Medi-Cal and disability. Applicants must also meet personal income and asset restrictions, which are based on federal poverty levels (up to 250%) and Medi-Cal asset criteria.

Ms. Bollinger explained that CMSP covers care of specific medical conditions and does not cover regular physical exams. Applicants must receive their non-hospital medical care at the

Community Health Centers (CHC); exceptions are approved when specialized care is not available at CHC. A CMSP utilization review nurse conducts a review whenever a patient is referred by CHC for outside services. Requests denied by the utilization review nurse require an M.D. review and are automatically forwarded to Dr. Penny Borenstein. Ms. Bollinger added that requests for certain medical services must always be reviewed by an M.D. Dr. Borenstein commented that she would like local physicians to understand that, unlike for-profit third party payors, stringent medical reviews at CMSP are necessary to stay within a fixed budget and there is no profit consideration for shareholders. Responding to a question about timeliness, Ms. Bollinger stated that the utilization review process is quick but delays in care are usually caused by a lack of available specialists. Ms. Bollinger concluded the presentation by reporting that CMSP is facing difficult financial challenges because of increasing costs due to more patients enrolled and seeking services and an increase in payments to hospitals and specialists.

Jeff Hamm, Health Agency Director, stated that we need to determine if we are able to participate in this bridge to reform and help more people now and if we don't, these patients will still transition to Medi-Cal, but not until 2014. Mr. Hamm added that, in the meantime, the CMSP program is \$650,000 in the hole, and the Board of Supervisors would like to know the Health Agency's plans to reduce this. We may consider reducing the CMSP income eligibility threshold from 250% to 200% of the federal poverty level, which means a small portion of currently eligible CMSP patients will no longer be covered. Another consideration may be to reduce our reimbursement rates to specialists. We currently pay our specialists at higher Medicare rates while most counties do not. Mr. Hamm concluded by saying that this analysis is worth our time and energy to see if we can make this work and take advantage of the opportunity for federal matching funds.

State LIHP Update: New Timeline

Joel Diringier summarized the December 8, DHCS teleconference on the state's new LIHP timeline (handout provided). While the state plans on releasing the LIHP application on January 3, Mr. Diringier noted that we have no idea how detailed the application may be. Counties may submit non-binding letters of intent on January 10, which is also the last day for counties to submit questions to DHCS regarding the application. Mr. Diringier told the group that he or Jennifer Shay would forward their application questions to DHCS. The timeline indicates that county LIHP applications are due to DHCS on February 3; however, Mr. Diringier clarified that counties may continue to submit their applications anytime after that date. He added that if we applied on February 3, the earliest we could start our program is June 1—but there is a lot to be done before then. Mr. Diringier stated he is doubtful that the state will stick to this timeline.

N.B. – DHCS has since moved the application release date to mid January.

Discussion: Moving Forward

Mr. Diringier informed the group that the federal maintenance of effort (MOE) requirement could determine our county's participation, yet the provisions of this requirement remain unclear. The MOE is covered within the Special Terms and Conditions of the federal program and is intended to ensure counties continue to spend the same amount of funds on indigent medical care and

that federal matching funds are used to expand care and not used to replace county spending. As it is currently written, the MOE is based on FY 2006 spending levels. In 2006, our county dramatically increased spending and, unfortunately, the 2006 spending level cannot be supported now. Our county will not be able to match that spending level or participate in the LIHP if the MOE base remains at 2006. Mr. Diringer reported that the state has requested an amendment of the MOE in the federal waiver to be based on current year spending levels.

Mr. Diringer stated that the mental health coverage provision of the LIHP is another concern for most counties. Mental health is not included in CMSP coverage, but we plan to discuss the county's estimated utilization and cost of mental health care at our next meeting. Jeff Hamm noted that while the county's health care system was not set up to track this population, the Health Agency is working on a utilization and cost estimate. Mr. Hamm expressed concern for a possible unforeseen pent up demand for these services that could materialize should we establish this expanded coverage initiative. Dr. Borenstein replied that there is a known gap in mental health care coverage between the care that is provided through primary care (CHC) and the more severe cases that are treated at the county.

Mr. Diringer summarized the county's ongoing planning efforts by noting that we are currently reviewing where we are now and comparing our options. One possible option includes contracting with CenCal for administration of our LIHP, eliminating CMSP, providing LIHP enrollment through County DSS, contracting mental health services separately—either directly through County Behavioral Health or CenCal, and considering contracting options for pharmacy services. Mr. Diringer noted that there are lots of balls in the air right now and some key issues should be clarified by next month. Jeff Hamm added that the Board of Supervisors is holding their Strategic Planning Meeting on January 18, and the results of that meeting could influence this planning process.

The next CIPP meeting is in four weeks, Tuesday, January 18, 2011 from 3:30-5:00 p.m. It will be held at the same location: SLO County Dept. of Agriculture Extension Auditorium: 2156 Sierra Way, SLO 93401 (off Bishop Street, behind the Public Health Dept.).

The meeting was adjourned at 5:10 p.m.